

**RULES
OF
TENNESSEE MOTOR VEHICLE COMMISSION**

**CHAPTER 0960-1
GENERAL RULES**

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0960-1-.01 DEFINITIONS.

For the purposes of these rules and *T.C.A. §55-17-101* et seq. and unless the context requires otherwise:

- (1) the term “representative” shall include regional, zone or district executive sales, service and parts personnel whose area of responsibility includes Tennessee and whose duties include contacting motor vehicle dealers or their employees in Tennessee and every other person employed by a motor vehicle manufacturer or distributor, directly or indirectly, to call upon or contact motor vehicle dealers or their employees in Tennessee concerning new motor vehicle sales, advertising, service, parts, business management, used motor vehicle sales or for any other purpose.
- (2) the term “labor rate” shall mean the total labor cost including salary and benefits, overhead and profit attributable to employees of a motor vehicle dealer performing or assisting in the performance of warranty repairs or servicing.
- (3) the term “labor rate per hour” shall mean the labor rate per hour attributable to employees of a motor vehicle dealer performing or assisting in the performance of warranty repairs or servicing.
- (4) the term “warranty” repairs or servicing” shall mean the actual work or service, including reasonable diagnostic time, performed by a motor vehicle dealer under the terms of a valid, new car manufacturer’s warranty.
- (5) the term “retail labor rate” shall mean the total labor cost including salary and benefits, overhead and profit attributable to employees of a motor vehicle dealer performing or assisting in the performance of repairs or servicing of vehicles not covered by a new car manufacturer’s warranty.
- (6) the term “posted retail labor rate” shall mean the “retail labor rate” as defined in Rule 0690-1-.05 (5) which has been filed by a motor vehicle dealer with the Tennessee Motor Vehicle Commission pursuant to *T.C.A. §55-17-121* (a).
- (7) the term “manual” shall mean the standard rate manual published by the manufacturer of a line-make or trade name of motor vehicle or any component thereof stating the standard time units required or allotted to perform specific warranty repairs or servicing.

(Rule 0960-1-.01, continued)

Authority: T.C.A. §55-17-107. **Administrative History:** Original rule certified May 31, 1974. Repealed and refiled October 23, 1978; effective January 29, 1979.

0960-1-.02 WARRANTY SERVICE.

A franchised motor vehicle dealer shall perform warranty repairs or servicing on all motor vehicles of the same trade name or line-make that the dealer is licensed to sell whether the dealer sold the motor vehicle or not.

Authority: T.C.A. §55-17-107. **Administrative History:** Original rule was certified May 31, 1974. Repealed and refiled October 23, 1978, effective January 29, 1979.

0960-1-.03 WARRANTY CHARGES.

- (1) All charges made by a motor vehicle dealer to a manufacturer, distributor, manufacturer or distributor branch or manufacturer or distributor representative for warranty repairs or servicing shall be submitted within thirty (30) days after the claimed for repairs or servicing is completed. All such claims for warranty repairs or servicing properly submitted shall be deemed approved and shall be promptly paid unless within sixty (60) days after such claims are received, the manufacturer, distributor, manufacturer or distributor branch or manufacturer or distributor representative provides the submitting dealer with written notice that the claim or claims are rejected and the reason therefor. A manufacturer, distributor, manufacturer or distributor representative or manufacturer or distributor branch may, within twelve (12) months after the payment of a warranty claim, review its action, audit the submitting dealer's records and disallow the claim for good cause.
- (2) Unless a motor vehicle dealer's franchise agreement with a manufacturer or distributor provides to the contrary, a motor vehicle dealer is required to retain parts replaced during warranty repairs or servicing for a period of thirty (30) days after the date the dealer submits a claim for warranty reimbursement to the manufacturer or distributor for the repairs or servicing in which the part or parts were replaced.

Authority: T.C.A. §55-17-107. **Administrative History:** Original rule certified May 31, 1974. Repealed and refiled October 23, 1978; effective January 29, 1979.

0960-1-.04 COMPUTATION OF WARRANTY CHARGES.

A motor vehicle dealer's charge for warranty repairs or servicing of a vehicle shall be computed by multiplying the sum of the hours or portions thereof allotted to the particular warranty repair or service by the manual of the manufacturer of the line-make of motor vehicle being repaired or services and the actual hours or portions thereof spent diagnosing the condition or problem requiring warranty repair or service multiplied by the "labor rate per hour".

Authority: T.C.A. §55-17-107. **Administrative History:** Original rule certified May 31, 1974. Repealed and refiled October 23, 1978; effective January 29, 1979.

0960-1-.05 APPROVAL OF REQUESTED LABOR RATES.

A manufacturer, distributor, manufacturer or distributor branch or manufacturer or distributor representative shall either approve or disapprove, in writing, a motor vehicle dealer's request for an adjustment in labor rate charged to the manufacturer or distributor for warranty repairs or servicing within thirty (30) days following receipt of the request for warranty labor rate adjustment.

(Rule 0960-1-.05, continued)

Authority: T.C.A. §55-17-107. **Administrative History:** Original rule certified May 31, 1974. Repealed and refiled October 23, 1978; effective January 29, 1979.

0960-1-.06 NOTICE OF TERMINATION, CANCELLATION OR NON-RENEWAL.

- (1) In the event that a manufacturer, distributor, manufacturer or distributor branch or manufacturer or distributor representative determines that the franchise of an existing motor vehicle dealer should be terminated or cancelled or should not be renewed, it shall give written notice to the dealer and to the Tennessee Motor Vehicle Commission at least sixty (60) days prior to the effective date of the termination, cancellation or non-renewal. This notice shall contain a concise statement of the reasons for the termination, cancellation or non-renewal of the franchise. Upon application of the person canceling, terminating or failing to renew a franchise and with notice to the dealer affected thereby, the Commission may permit a cancellation, termination or non-renewal of a franchise upon less than sixty (60) days notice, if it determines in writing that a lesser notice period is justified in light of the circumstances surrounding the cancellation, termination or non-renewal.
- (2) Failure of a manufacturer, distributor, manufacturer or distributor branch or manufacturer or distributor representative to give adequate notice pursuant to Rule 0960-1-.05 (1) or to keep the franchise in full force and effect pending a final determination by the Commission or to abide by the Commission's final order may result in the Commission's refusal to issue a motor vehicle dealer's license to another dealership selling the same trade name and line-make of motor vehicles as the affected dealer or doing business in the same relevant market area as the affected dealer. This remedy is in addition to any other remedy provided in T.C.A. §55-17-101 et seq.

Authority: T.C.A. §55-17-107. **Administrative History:** Original rule certified May 31, 1974. Repealed and refiled October 23, 1978; effective January 29, 1979.

0960-1-.07 ZONING RESTRICTIONS.

All applicants for a motor vehicle dealer's license shall file with their application a statement from the proper local authority that the location or the proposed location of the dealer's established place of business complies with all applicable local zoning requirements.

Authority: T.C.A. §§55-17-107 and 55-17-111 (a). **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979.

0960-1-.08 USED CAR DEALER APPLICATIONS.

Used Car Dealer Applications. An applicant for a license to sell used motor vehicles shall comply with T.C.A. Section 55-17-111(a) and shall provide the Commission with all information required by this section.

Authority: T.C.A. §§55-17-107(1) and 55-17-111(a) filed February 5, 1979; effective May 28, 1979. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Amendment filed November 15, 2000; effective January 30, 2001.

0960-1-.09 SIGNS.

All motor vehicle dealers shall install signs at their established place of business identifying them as a motor vehicle dealer. Such sign shall consist of letters no less than eight (8) inches in height and shall not advertise any other business or product.

Authority: T.C.A. §§59-1702(a) and 59-1707(a). **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979.

0960-1-.10 REASONABLE BUSINESS HOURS.

All motor vehicle dealers shall be open at their established place of business during reasonable business hours.

Authority: T.C.A. §59-1707(a). *Administrative History:* Original rule filed February 5, 1979; effective May 28, 1979.

0960-1-.11 INSPECTION OF BUSINESS RECORDS.

All persons licensed by the Commission shall make available for inspection by the Commission or the duly authorized representatives, all books, records and other memorandums of all transactions, transfers or sales of motor vehicles taking place during the normal course of business.

Authority: T.C.A. §59-1707(a). *Administrative History:* Original rule filed February 5, 1979; effective May 28, 1979.

0960-1-.12 ADVERTISING OF MOTOR VEHICLES.

(1) General Principles.

- (a) All advertising in any form of media including any oral, written, graphic or pictorial statement made in the course of soliciting business, including without limitation, a statement or representation contained in a notice, sign, poster, display, circular, pamphlet, or letter, on radio, the Internet, via an on-line computer service, or on television, must conform to all applicable provisions of this chapter in addition to any other applicable Tennessee state or federal laws and regulations.
- (b) False, misleading or deceptive advertising of motor vehicles is prohibited.
- (c) Any disclosures of material facts in the advertising of motor vehicles must be made in a clear and conspicuous manner.

(2) Advertising of New Motor Vehicles.

- (a) If a motor vehicle advertisement pertains to a specific new vehicle, the advertisement must indicate the stock number of that vehicle.
- (b) If a motor vehicle advertisement pertains to a new vehicle which is not then in stock, the advertisement must disclose that the vehicle is to be ordered from a manufacturer, distributor, wholesaler or other identified source.
- (c) A group of similar motor vehicles may be advertised by one stock number, as long as the advertised price of each vehicle of that group is the same.

(3) Advertising of Used Motor Vehicles.

- (a) If an advertised motor vehicle is required by T.C.A. Title 55, Chapter 3 to be titled as a used motor vehicle, the advertisement shall disclose that the motor vehicle is “used”, or “pretitled”, or “previously owned”, or words of similar import or intent.
- (b) If a motor vehicle advertisement pertains to either a specific used vehicle or group of used vehicles, the advertisement must indicate the stock number of at least one of the vehicles.

(Rule 0960-1-.12, continued)

(4) Price Advertising.

(a) If the price of a motor vehicle is advertised, the advertisement:

1. Shall include in the advertised price all costs and charges and any additional fees payable by the purchaser of the vehicle advertised.
2. Shall separately describe any additional fee includable under (a)(1) of this paragraph, and state clearly and conspicuously the amount thereof.
3. Shall state the following are not included in the advertised price:
 - (i) the cost of optional equipment selected by the purchaser; and
 - (ii) State and local taxes, tags, registration and title fees.
4. Shall not state an advertised price which includes any trade-in allowance, downpayment, capitalized cost reduction or any funds which the consumer is expected to pay in order to reduce the cost of the vehicle to the advertised price, other than rebates from the manufacturer or distributor to all consumers. However, the use of a down payment or a capitalized cost reduction as a term of credit is acceptable. If the rebate from manufacturers or distributors to all customers is utilized in order to reduce the price, then that fact must be disclosed in the advertisement.
5. If on a new motor vehicle, shall not state that the advertised price has been discounted unless the price is discounted from the manufacturers suggested retail price (M.S.R.P.).

(b) When the “suggested retail price” of a new motor vehicle is advertised by a manufacturer, distributor, factory representative, or distributor representative, that price must include all charges (other than those for optional equipment); except, however, that destination charges and sales taxes must be specifically excluded.

(c) No motor vehicle advertisement may indicate the price of a motor vehicle in terms of the “invoice,” “factory invoice,” or “dealer invoice” unless:

1. The invoiced price is the actual price of the manufacturer or distributor to the dealer; and
2. The advertisement discloses any other material factors that may affect the ultimate cost to the dealer, such as manufacturer incentives and awards and dealer hold back.

(d) Unsubstantiated selling claims and misleading statements or inferences including the use of superlatives are strictly prohibited. Examples include: “write your own deal,” “name your own price,” “we are number 1 in car sales,” “lowest price in the south.”

(e) If the price and/or terms of sale or lease of a specific motor vehicle, or group of motor vehicles is advertised, the motor vehicle(s) shall be presented and sold at the advertised price and/or terms. Unless the advertisement states that the advertised price and/or terms are effective for only a specific time period or expire at a specific time, the period of time the price and/or terms remain effective is five (5) days following the last date said advertisement is published in any advertising medium.

(Rule 0960-1-.12, continued)

- (5) Reduced interest rates. No reduced interest rate on motor vehicle financing may be advertised if the cost thereof should be directly or indirectly borne by the buyer unless the advertisement discloses that such rate will affect the negotiated price of the vehicle to the buyer.
- (6) Trade-in allowance. No motor vehicle advertisement may include a “guarantee” or “minimum” trade-in allowance unless the advertisement also states the price of the vehicle in accordance with paragraph (4) of this rule.
- (7) Identification. All advertising in all forms of media, including computer generated advertising, initiated from this state shall identify the motor vehicle dealer by name and/or dealer license number.
- (8) Credit Sales Advertising and Federal Regulation Z as issued by the Board of Governors of the Federal Reserve System. An advertisement which complies with the Federal Truth in Lending Act (15 U.S.C. § 160 et seq.) and amendments thereto, and any regulations issued or which may be issued thereunder, shall be deemed in compliance with the provisions of this section. Any advertisement not in compliance with these Federal provisions constitutes violation(s) of this rule.
- (9) Lease Advertising and Federal Regulation M as issued by the Board of Governors of the Federal Reserve System. An advertisement which complies with the Consumer Leasing Act of 1976 (15 U.S.C. § 1601 et seq.) and amendments thereto, and any regulations issued or which may be issued thereunder, shall be deemed in compliance with the provisions of this section. Any advertisement not in compliance with these Federal provisions constitutes violation(s) of this rule.
- (10) Free offers. “Free,” “at no cost” or other words to that effect shall not be used unless the “free” item, merchandise, or service is available without a purchase. The provision shall not apply to advertising placed by manufacturers, distributors, or line-make marketing groups. An advertisement which complies with the Federal Trade Commission guidelines at 16 CFR 251.1 and the Consumer Protection Act of 1977, Tennessee Code Annotated, Section 47-18-120, concerning free offers in connection with negotiated sales shall be deemed in compliance with the provisions of this section. Any advertisement not in compliance with these provisions constitutes violation(s) of this rule.
- (11) Advertising Repossessed Vehicles or Special Loans on Vehicles. Advertising of “repossessed” vehicles, or any inference made to that effect, will be construed to be misleading or deceptive unless such vehicle has been repossessed from an immediate former owner. Additionally, a dealer shall not advertise in any manner as to infer that a purchaser will be receiving benefits of any existing loan on a vehicle when no such benefit or loan exists.

Authority: T.C.A. §55-17-107(1). **Administrative History:** Original rule filed August 16, 1988; effective September 30, 1988. Amendment filed January 18, 1991; effective March 4, 1991. Amendment filed November 15, 2000; effective January 30, 2001.

0960-1-.13 CIVIL PENALTIES.

The Commission may, in a lawful proceeding respecting licensing (as defined in the Uniform Administrative Procedures Act), in addition to or in lieu of any other lawful disciplinary action, assess civil penalties for violations of statutes, rules, or orders enforceable by the Commission in accordance with the following schedule:

VIOLATION	PENALTY
T.C.A. §55-17-109 (a) - 1000	\$50
T.C.A. §55-17-109 (b)	\$50 - 1000
T.C.A. §55-17-110 (a)	\$50 - 1000

(Rule 0960-1-.13, continued)

(b)	\$50 - 1000
(c)	\$50 - 1000
(d)	\$50 - 1000
(e)	\$50 - 1000
T.C.A. §55-17-111 (a)(8)(g)	\$50 - 1000
(h)	\$50 - 1000
T.C.A. §55-17-113 (b)	\$50 - 1000
(c)	\$50 - 1000
T.C.A. §55-17-114 (a)(1)	\$50 - 1000
(a)(2)	\$50 - 1000
(a)(3)	\$50 - 1000
(a)(4)	\$50 - 1000
(a)(5)	\$50 - 1000
(a)(6)	\$50 - 1000
(b)(1)	\$50 - 1000
(b)(2)	\$50 - 1000
(b)(3)	\$50 - 1000
(b)(4)	\$50 - 1000
(b)(5)	\$50 - 1000
(b)(6)	\$50 - 1000
(b)(7)	\$50 - 1000
(b)(8)	\$50 - 1000
(b)(9)	\$50 - 1000
(b)(10)	\$50 - 1000
(b)(11)	\$50 - 1000
(b)(12)	\$50 - 1000
(c)(1)	\$50 - 1000
(c)(2)	\$50 - 1000
(c)(3)	\$50 - 1000
(c)(4)	\$50 - 1000
(c)(5)	\$50 - 1000
(c)(6)	\$50 - 1000
(c)(7)	\$50 - 1000
(c)(8)	\$50 - 1000
(c)(9)	\$50 - 1000
(c)(10)	\$50 - 1000
(c)(11)	\$50 - 1000
(c)(12)	\$50 - 1000
(c)(13)	\$50 - 1000
(c)(14)	\$50 - 1000
(c)(15)	\$50 - 1000
(c)(16)	\$50 - 1000
(c)(17)	\$50 - 1000
(c)(18)	\$50 - 1000
(c)(19)	\$50 - 1000
(c)(20)	\$50 - 1000
(c)(21)	\$50 - 1000
(c)(22)	\$50 - 1000
(c)(23)	\$50 - 1000
(c)(24)	\$50 - 1000
(d)(1)	\$50 - 1000

(Rule 0960-1-.13, continued)

	(d)(2)	\$50 - 1000
	(d)(3)	\$50 - 1000
	(d)(4)	\$50 - 1000
T.C.A. §55-17-117 (a)		\$50 - 1000
T.C.A. §55-17-121 (a)		\$50 - 1000
	(b)	\$50 - 1000
	(c)	\$50 - 1000

- (2) In determining the amount of any penalty to be assessed pursuant to this rule, the Commission may consider but not be limited to such factors as the following:
- (a) Whether the amount imposed will be a substantial economic deterrent to the violator;
 - (b) The circumstances leading to the violation;
 - (c) The severity of the violation and the risk of harm to the public;
 - (d) The economic benefits gained by the violator as a result of non-compliance;
 - (e) The interest of the public;
 - (f) Willfulness of the violation; and
 - (g) Extent to which the licensee has sought to compensate any victim(s) of the violation.
- (3) For purposes of the assessment of civil penalties pursuant to this rule, each separate act shall constitute a separate violation, and each day of continued violation shall constitute a separate violation.

Authority: T.C.A. §§55-17-107(1) and 56-1-308. **Administrative History:** Original rule filed February 16, 1990; effective April 2, 1990.

0960-1-.14 LICENSE FEES.

- (1) The biennial license fees for licenses issued and renewed and other related fees shall be as follows:
- (a) For each manufacturer, distributor, factory branch, distributor branch, eight hundred dollars (\$800.00);
 - (b) For each motor vehicle dealer selling new or used motor vehicles, two hundred dollars (\$200.00);
 - (c) For each factory representative or distributor representative, two hundred dollars (\$200.00);
 - (d) For each motor vehicle salesman, thirty-five dollars (\$35.00);
 - (e) For each application for endorsement of change of employer by a motor vehicle salesman by an employer, thirty-five dollars (\$35.00);
 - (f) For each automotive dismantler and recycler, two hundred dollars (\$200.00);
 - (g) For each automobile auction, four hundred dollars (\$400.00);

(Rule 0960-1-.14, continued)

- (h) For each motor vehicle show permit, one hundred dollars (\$100.00);
- (i) For each duplicate license, twenty-five dollars (\$25.00).

Authority: T.C.A. §§55-17-107(1), 55-17-111, and 55-17-112(a). **Administrative History:** Original rule filed July 14, 1989; effective August 28, 1989. Amendment filed March 29, 1993; effective May 13, 1993. Amendment filed November 15, 2000; effective January 30, 2001.

0960-1-.15 LIABILITY INSURANCE AND WORKERS' COMPENSATION.

- (1) An applicant for a motor vehicle dealer license or an automobile auction license shall provide the Commission with a certificate or affidavit of liability insurance in a minimum amount of coverage of sixty thousand dollars (\$60,000.00) to be submitted along with each application for license; and
- (2) The minimum required coverage must remain and continue in force for as long as the dealer or automobile auction remains licensed. Upon notice of cancellation, the licensee shall either cease business operations, or provide evidence of minimum coverage from another provider.
- (3) The insurance provider is required to provide sixty (60) days notice to the Commission of cancellation of the required minimum liability coverage.
- (4) All motor vehicle dealers shall comply with the applicable workers' compensation laws of the State of Tennessee.

Authority: T.C.A. §§ 55-17-107(1) and 55-17-111. **Administrative History:** Original rule filed November 15, 2000; effective January 30, 2001.

0960-1-.16 AUTOMOBILE AUCTION MINIMUM REQUIREMENTS.

- (1) Except where otherwise provided in this Chapter or state law, automobile auctions shall be licensed by the Commission and shall conduct only wholesale transactions by and between licensed motor vehicle dealers. Unlicensed individuals are prohibited from buying or selling automobiles at automobile auctions in Tennessee.
- (2) The following are minimum requirements for licensed automobile auctions:
 - (a) Zoning – The automobile auction must have a letter of compliance with local ordinances from the local zoning authority.
 - (b) Insurance
 - 1. The automobile auction must have garage keepers legal liability insurance in an amount not less than five hundred thousand dollars (\$500,000.00); and
 - 2. Check and title insurance approved by the Commission.
 - (c) Surety Bond – The automobile auction must have a \$50,000.00 surety bond issued by a licensed bonding company.
 - (d) Financial
 - 1. The automobile auction must have a compiled financial statement prepared in accordance with generally accepted accounting principles by a certified public accountant or public accountant dated not earlier than twelve (12) months prior

(Rule 0960-1-.16, continued)

to the date of the application and must furnish a copy of the same to the Commission along with any changes to the statement; and

2. The automobile auction must have a minimum net worth of at least \$100,000.00.
- (e) Building – The automobile auction lot must have a building suitable for vehicles to pass through for viewing and auctioning purposes, an office space for processing sales and for retention of records, and adequate rest room facilities.
 - (f) Auction Lot – The automobile auction lot must be graveled or paved and large enough to accommodate parking for 100 vehicles.
 - (g) Fence – The auction building and lot must be fenced to keep out unauthorized people (e.g. chain link fence).
 - (h) Employee at entrance – An employee must be at entrances at least one hour prior to the auction sale and on station until the auction is completed to check for dealer/salesman licensing credentials. In the alternative, subject to the Commission's approval, a licensed automobile auction may establish a registration procedure by which licensure and other credentials are verified and identification cards issued which are checked at the entrance to the auction.
 - (i) Telephone – The automobile auction must have a business telephone in the auction company name. Cellular telephones are not acceptable.
 - (j) Sign – All signs must be visible, and a permanent professional business sign must be installed and must have letters which are at least 8 inches tall.
 - (k) Business Tax – The automobile auction must hold a current business tax license as required by local applicable law.
 - (l) The automobile auction must obtain and have displayed on its premises a valid license from the Motor Vehicle Commission.
 - (m) The automobile auction must obtain and have displayed on its premises a valid license from the Tennessee Auctioneer Commission.

Authority: T.C.A. §§ 55-17-102, 55-17-107(1), 55-17-109 and 55-17-111(a). **Administrative History:** Original rule filed November 15, 2000; effective January 30, 2001.

0960-1-.17 MOTOR VEHICLE SHOW MINIMUM REQUIREMENTS.

- (1) The following are minimum requirements for permit holders to conduct motor vehicle shows in Tennessee:
 - (a) A motor vehicle show permit must be obtained by the applicant from the Motor Vehicle Commission no later than ten (10) days prior to commencement of the show, and the permit must be prominently displayed during the show.
 - (b) The prices of the vehicles must be displayed on or at each vehicle.
 - (c) Warranty information must be available at motor vehicle shows.
 - (d) The permit holder must have a representative of each participating dealership present at all times during motor vehicle show hours.

(Rule 0960-1-.17, continued)

- (e) No sale or negotiation leading to the sale of a vehicle may take place at the motor vehicle show site.
- (f) Upon application, the permit holder shall provide to the Commission the names and addresses of each licensed motor vehicle dealer displaying vehicles at the show.

Authority: T.C.A. § 55-17-107(1). **Administrative History:** Original rule filed November 15, 2000; effective January 30, 2001.

0960-1-.18 EXEMPTIONS FOR AUCTIONS OF MOTOR VEHICLES FOR ESTATE SALES AND FOR NURSING OR HEALTH CARE HOME EXPENSES.

- (1) The following shall be exempt from the licensing provisions of this Chapter:
 - (a) Estate Auctions. Up to five (5) motor vehicles owned and titled to the individual decedent may be placed for sale at auction with the decedent's other personal property.
 - (b) Auction Sales for Expenses to be Utilized for Nursing or Health Care Home Expenses Purposes. Up to five (5) motor vehicles owned and titled to the individual for whom proceeds from the sale will be used to fund nursing or health care home expenses may be placed at auction.

Authority: T.C.A. § 55-17-107(1). **Administrative History:** Original rule filed November 15, 2000; effective January 30, 2001.

0960-1-.19 COMPLIANCE WITH STATE AND FEDERAL LAWS AND REGULATIONS.

- (1) All motor vehicle licensees licensed pursuant to this Chapter shall comply with all applicable Tennessee and federal laws and regulations.
- (2) These rules shall in no way be construed to exempt any person from any other provision of Tennessee or federal laws and regulations.

Authority: T.C.A. §§ 55-17-107(1) and 55-17-118. **Administrative History:** Original rule filed November 15, 2000; effective January 30, 2001.

0960-1-.20 SALES OF USED MOTOR VEHICLES BY UNLICENSED INDIVIDUALS.

- (1) Unless otherwise provided by T.C.A. Title 55, Chapter 17 et seq., and these regulations, any individual may sell up to five (5) used motor vehicles, registered and titled in his/her name, per year without a motor vehicle dealer's license. Contracting with other unlicensed third parties for such sales is strictly prohibited.
- (2) If an individual sells more than five (5) used motor vehicles in a single year he/she shall be found in violation of this rule for engaging in the unlicensed sales of motor vehicles.

Authority: T.C.A. § 55-17-107(1). **Administrative History:** Original rule filed November 15, 2000; effective January 30, 2001.